

SB0104S01 compared with SB0104

~~{deleted text}~~ shows text that was in SB0104 but was deleted in SB0104S01.

Inserted text shows text that was not in SB0104 but was inserted into SB0104S01.

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Senator Ann Millner proposes the following substitute bill:

TALENT DEVELOPMENT AND RETENTION STRATEGY

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ann Millner

House Sponsor: _____

LONG TITLE

General Description:

This bill creates a program to provide an incentive loan to a student who intends to work in a qualifying job.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Talent Development Incentive Loan Program to award an incentive loan to an individual who:
 - pursues a qualifying degree for a qualifying job; and
 - intends to work in a qualifying job in Utah;
- ▶ requires the ~~{State Board}~~institution of ~~{Regents}~~higher education to award incentive loans;

SB0104S01 compared with SB0104

- ▶ allows ~~{the State Board}~~an institution of ~~{Regents}~~higher education to use money from a business or industry partner for funding or repaying an incentive loan;
- ▶ provides for the Governor's Office of Economic Development to determine which jobs are qualifying jobs and the qualifying degrees for each qualifying job;
- ▶ describes the conditions under which repayment of an incentive loan is waived or required; and
- ▶ requires the State Board of Regents to make rules.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2019:

- ▶ to the State Board of Regents – Student Assistance – Talent Development Incentive Loan Program, as an ongoing appropriation:
 - from the Education Fund, \$2,500,000.

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

53B-10-201, Utah Code Annotated 1953

53B-10-202, Utah Code Annotated 1953

53B-10-203, Utah Code Annotated 1953

53B-10-204, Utah Code Annotated 1953

53B-10-205, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53B-10-201** is enacted to read:

CHAPTER 10. INCENTIVE LOAN PROGRAMS

Part 2. Talent Development Incentive Loan Program

53B-10-201. Definitions.

As used in this part:

(1) "~~{Full time}~~Full-time" means the number of credit hours the board determines is ~~{full time}~~full-time enrollment for a student.

(2) "GOED" means the Governor's Office of Economic Development created in

SB0104S01 compared with SB0104

Section 63N-1-201.

(3) "Incentive loan" means a loan described in Section 53B-10-202.

(4) "Institution ~~{ of higher education }~~" means an institution ~~of higher education~~ that is part of the Utah System of Higher Education described in Subsection 53B-1-102(1)(a).

(5) "Program" means the Talent Development Incentive Loan Program created in Section 53B-10-202.

(6) "Qualifying degree" means an associate's or a bachelor's degree that qualifies an individual to work in a qualifying job, as determined by GOED under Section 53B-10-203.

(7) "Qualifying job" means a job:

(a) described in Section 53B-10-203 for which an individual may receive an incentive loan for the current two-year period; or

(b) (i) that was selected in accordance with Section 53B-10-203 at the time a recipient received an incentive loan; and

(ii) (A) for which the recipient is pursuing a qualifying degree;

(B) for which the recipient completed a qualifying degree; or

(C) in which the recipient is working.

(8) "Recipient" means an individual who receives an incentive loan.

Section 2. Section **53B-10-202** is enacted to read:

53B-10-202. Talent Development Incentive Loan Program.

(1) There is created the Talent Development Incentive Loan Program to recruit and train individuals to work in certain jobs that have a high demand for new employees and offer high wages.

(2) Subject to ~~{ legislative appropriations, the board }~~ ~~available funds, an institution~~ shall award an incentive loan to an individual who:

(a) is enrolled full time in ~~{ an } the~~ institution ~~{ of higher education }~~;

(b) has completed at least:

(i) one semester of ~~{ full-time }~~ ~~full-time~~ equivalent course work if the individual is pursuing an associate's degree; or

(ii) two semesters of ~~{ full-time }~~ ~~full-time~~ equivalent course work if the individual is pursuing a bachelor's degree;

(c) is pursuing or declares an intent to pursue a qualifying degree;

SB0104S01 compared with SB0104

(d) declares an intent to work in a qualifying job described in Subsection 53B-10-201(7)(a) in Utah following graduation;

(e) applies to the ~~{board}~~institution to receive an incentive loan; and

(f) meets other criteria determined by the board in the rules described in Section 53B-10-205.

(3) (a) ~~{The board}~~An institution may award an incentive loan to a recipient in an amount up to the cost of resident tuition, fees, and books for the number of credit hours in which the recipient is enrolled each semester.

(b) ~~{The board}~~An institution may award an incentive loan to a recipient for up to the expected amount of time for the recipient to complete the qualifying degree, as determined by the ~~{board}~~institution.

(c) ~~{The board}~~An institution may cancel an incentive loan in accordance with the rules described in Section 53B-10-205.

(4) ~~{The board}~~An institution may use money from a partnership with an industry or business for funding or repaying an incentive loan.

(5) The board may use up to 5% of money appropriated for the program for administration.

Section 3. Section **53B-10-203** is enacted to read:

53B-10-203. Selection of qualifying jobs and qualifying degrees.

(1) Every other year, GOED shall select:

(a) five qualifying jobs that:

(i) have the highest demand for new employees; and

(ii) offer high wages; and

(b) the qualifying degrees for each qualifying job.

(2) GOED shall:

(a) ensure that each qualifying job:

(i) ranks in the top 40% of jobs based on an employment index that considers the job's growth rate and total openings;

(ii) ranks in the top 40% of jobs for wages; and

(iii) requires an associate's degree or a bachelor's degree; and

(b) report the five qualifying jobs and qualifying degrees to the board.

SB0104S01 compared with SB0104

Section 4. Section **53B-10-204** is enacted to read:

53B-10-204. Repayment of an incentive loan.

(1) For each year that a recipient works in a qualifying job in Utah following completion of a qualifying degree, the ~~{board}~~institution that awarded the incentive loan shall waive repayment of the amount of one year of the recipient's incentive loan.

(2) Except as provided in Subsection (3)(a), ~~{the board}~~an institution may not require a recipient to repay an incentive loan.

(3) (a) Except as provided in Subsection (3)(b), ~~{the board}~~an institution shall require a recipient to repay to the ~~{board}~~institution:

(i) the full amount of an incentive loan if the recipient fails to:

(A) graduate with a qualifying degree within six years of initially receiving the incentive loan; or

(B) work in a qualifying job in Utah within one year of completing a qualifying degree;

or

(ii) the outstanding amount of an incentive loan if the recipient works in a qualifying job for fewer years than the number of years required to waive repayment of the full incentive loan.

(b) ~~{The board}~~An institution may waive or delay a repayment described in Subsection (3)(a) in accordance with the rules described in Section 53B-10-205.

(4) ~~{The board}~~An institution may require appropriate interest with the repayment of an incentive loan.

(5) ~~{The board}~~An institution shall use a repayment received under this section for the program.

Section 5. Section **53B-10-205** is enacted to read:

53B-10-205. Rulemaking.

In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board shall make rules to:

(1) establish an application process for an individual to apply for an incentive loan;

(2) subject to Section 53B-10-202, establish qualifying criteria for an individual to receive an incentive loan;

(3) establish how state funding available for incentive loans is divided among

SB0104S01 compared with SB0104

institutions:

- ~~(3)4~~ establish how to determine an amount of money for an incentive loan;
- ~~(4)5~~ establish the circumstances under which ~~the board~~ an institution may:
 - (a) cancel an incentive loan; or
 - (b) waive or delay repayment of an incentive loan; and
- ~~(5)6~~ administer the program.

Section 6. **Appropriation.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.

ITEM 1

To State Board of Regents - Student Assistance

From Education Fund \$2,500,000

Schedule of Programs:

Talent Development Incentive Loan Program \$2,500,000

The Legislature intends that the appropriation provided under this item be used for the Talent Development Incentive Loan Program created in Section 53B-10-202.

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Legislative Review Note

~~Office of Legislative Research and General Counsel~~